

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 31-February 1, 2007

Reference No.: 2.8b.(1)
Action Item

From: CINDY McKIM
Chief Financial Officer

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Transportation Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR TRAFFIC CONGESTION RELIEF PROGRAM PROJECTS, PER RESOLUTION G-06-08 WAIVER-07-01**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-07-01, extending the period of contract award for six months for Traffic Congestion Relief Program (TCRP) Project #1.1 – BART to San Jose; extend BART from Fremont to Downtown San Jose in Santa Clara and Alameda Counties – Warm Springs to San Jose.

ISSUE:

The Santa Clara Valley Transportation Authority (SCVTA) and the Bay Area Rapid Transit District (BART) will not be able to award a construction contract by the six-month deadline of January 31, 2007, and are requesting an extension to July 31, 2007.

BACKGROUND:

On July 20, 2006, the Commission allocated \$11,000,000 in TCRP funds for Project #1.1 for construction of the Paseo Padre Parkway and Washington Boulevard grade separations. In accordance with Resolution G-06-08, construction allocations are limited to projects where the agency is ready to award a construction contract within six months of allocation. The deadline to award a construction contract for this project is January 31, 2007.

This project was advertised on October 16, 2006, and bids were opened on December 12, 2006. The low bid was more than \$15,000,000 (42 percent) above the Engineer's Estimate. Because of the higher than expected bid amounts, a protracted and detailed analysis of bid line item pricing is being conducted. At the same time, the project design is being re-visited to assure that no specification errors contributed to the unexpected bid pricing. Extra time is also being allowed for communications with the bidders for bid proposal verification and confirmation.

The analysis may determine that a modification to the bid documents is necessary to ensure that costs are at or below the budgeted maximum, in which case the project will be re-bid. It is estimated

that it will take at least two months to modify the bid documents, obtain the various agency approvals and print the documents for re-advertisement. It will take at least an additional three months from the new advertisement date to award the contract. Therefore, SCVTA and BART are requesting a six-month extension of the contract award deadline.